

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)

FOR THE SIX MONTHS ENDED JUNE 30, 2002

(Amounts expressed in thousands of Renminbi)

	Note	Six months ended June 30 2002	2001
Cash flows from operating activities			
Cash generated from operating activities	10	226,999	255,166
Enterprise income tax paid		(874)	(81,684)
Net cash provided by operating activities		<u>226,125</u>	<u>173,482</u>
Cash flows from investing activities			
Purchases of property, plant, equipment and intangible assets		(28,437)	(209,917)
Decrease (increase) in short-term bank deposit		159,444	(1,168,347)
Interest received		21,710	18,010
Dividends received from associated companies		—	35
Proceeds from disposal of property, plant and equipment		—	787
Net cash provided by (used in) investing activities		<u>152,717</u>	<u>(1,359,432)</u>
Cash flows from financing activities			
Investment from shareholders		—	1,258,156
Investment from minority shareholders of subsidiaries		1,960	—
Dividend paid		(173,228)	—
Dividend paid to minority shareholders of subsidiaries		(997)	—
Net cash (used in) provided by financing activities		<u>(172,265)</u>	<u>1,258,156</u>
Net increase in cash and cash equivalents		<u>206,577</u>	<u>72,206</u>
Cash and cash equivalents, beginning of period		<u>1,636,818</u>	<u>584,729</u>
Cash and cash equivalents, end of period		<u><u>1,843,395</u></u>	<u><u>656,935</u></u>